W.P.(C) No.3534 of 2002

51. 16.08.2011 This writ petition has been filed challenging the order dated 20.10.2001, passed by the 3rd Motor Accident Claims Tribunal, Bhubaneswar, in M.A.C.T. Misc. Case No.201 of 1998, directing the petitioner-Insurance Company to pay interest @12% per annum on the award amount of Rs.1,65,000/- from the date of filing of the claim application i.e. 02.09.1998 till deposit of the amount, i.e. 28.11.2000.

Learned counsel for the petitioner–Insurance Company submits that as verification of certain records were necessary with regard to validity of the driving licence, the awarded compensation amount for Rs.1,65,000/- could not be deposited within the stipulated time and the same has been duly deposited on 28.11.2000. In this regard it is submitted that as the delay in depositing the awarded amount was not intentional and there was no latches and wilful negligence on the part of the Insurance Company, the impugned award directing payment of interest be quashed.

It is submitted that pursuant to the notice of attachment, the Insurance Company has already deposited Rs.48,005/- before the Special Certificate Officer, Bhubaneswar, in Certificate Case No.381 of 2004. Further, a sum of Rs.25,000/- has also been deposited in the Registry of this Court pursuant to order dated 13.05.2005.

From the records it reveals that pursuant to a compromise in Lok Adalat, which was held on 08.08.1998, the claim was settled at Rs.1,65,000/- and after complying with the

condition of the settlement, final order was passed on 06.03.2000 for payment of the compensation amount to the claimants within two months from the date of the said order, failing which, the Insurance Company shall be liable for interest @12% per annum on the awarded amount from the date of filing of the claim application, till payment.

It is seen that though the award was passed on 06.03.2000, the awarded amount of Rs.1,65,000/- was deposited by the Insurance Company on 20.11.2000. Because of the delay in depositing the awarded amount, the learned Tribunal has directed the Insurance Company to pay the interest @ 12% per annum on the awarded amount of Rs.1,65,000/- from the date of filing of the claim application till deposit of the award amount, which cannot be faulted.

In view of the above and keeping in view the fact that the Insurance Company has already deposited the amount on 20.11.2000, the writ petition is disposed of with a direction that the interest amount deposited by the Insurance Company with the Special Certificate Officer, Bhubaneswar, in Certificate Case No.381 of 2004 be disbursed to the claimants.

The interest amount of Rs.25,000/- deposited in the Registry of this Court pursuant to order dated 13.05.2005 along with accrued interest thereon shall be refunded to the appellant-Insurance Company.

The writ petition is accordingly disposed of.

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S.C. Parija, J.

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Misc. Case No.8215 of 2007

52. 16.08.2011 In view of the disposal of the writ petition, no order is required to be passed.

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S.C. Parija, J.

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